

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

MOTION TO ADJUST RATES IN ACCORDANCE)
WITH PURCHASED GAS ADJUSTMENT CLAUSE) CASE NO. 7897-A
OF AUXIER ROAD GAS COMPANY, INC.)

O R D E R

On April 23, 1981, the Commission issued its Order in Case No. 7897 approving certain rates and providing under certain conditions for the further adjustment of such rates when the wholesale cost of gas is increased or decreased.

On April 20, 1981, the Applicant, Auxier Road Gas Company, Inc., notified the Commission that its wholesale cost of gas would be decreased by its supplier, Columbia Gas of Kentucky, Inc., ("Columbia") on May 1, 1981, and submitted with its notice certain information in compliance with this Commission's Order of April 23, 1981. The notice set out certain revisions in rates which the Applicant proposed to place in effect, said rates being designed to decrease the cost of natural gas of its supplier.

On April 30, 1981, Columbia filed an amendment to its application filed April 8, 1981. Columbia's amended application increases the credit purchased gas adjustment factor from \$.002 per Mcf contained in its application filed April 8, 1981, to \$.007 per Mcf. The application filed by the Applicant has been adjusted to reflect this revised filing by Columbia.

The amount of the decreased cost of gas to the Applicant will be \$574 on an annual basis.

After reviewing this evidence of record and being fully advised, the Commission is of the opinion and finds that:

(1) The Applicant's supplier has filed decreased rates and said rates will become effective on and after May 1, 1981.

(2) The Applicant's adjustment in rates under the Purchased Gas Adjustment Clause approved by the Commission in its Order in Case No. 7897, dated April 23, 1981, is fair, just and reasonable and in the public interest and should be allowed to be effective with gas supplied on and after May 1, 1981.

IT IS THEREFORE ORDERED that the Purchased Gas Adjustment sought by the Applicant be and the same is hereby approved to be effective with gas supplied on and after May 1, 1981, as set out in Appendix A attached hereto and made a part hereof.

IT IS FURTHER ORDERED that for the purpose of the future application of the Purchased Gas Adjustment Clause of Applicant the base rate for purchased gas shall be:

	<u>Commodity</u>
Columbia Gas of Kentucky, Inc.	\$3.404 per MCF

IT IS FURTHER ORDERED that the information furnished this Commission by the Applicant on April 20, 1981, constitutes full compliance with this Commission's Order in Case No. 7897, and any other information ordinarily required to be filed under the Commission's Rules is hereby waived.

IT IS FURTHER ORDERED that within 30 days after the date

of this Order, Applicant shall file with this Commission its revised tariff sheets setting out the rates approved herein.

Done at Frankfort, Kentucky, this 21st day of May, 1981.

PUBLIC SERVICE COMMISSION

Marlin H. Volk
For the Commission

ATTEST:

Secretary

APPENDIX "A"

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE
COMMISSION IN CASE NO. 7897-A DATED
MAY 21, 1981

The following rates are prescribed for the customers in the area served by Auxier Road Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the date of this Order.

RATES: Monthly

First	1 Mcf per Month	\$5.993
All Over 1 Mcf per Month		5.193